

## **Facts from CMS Part D Training on 10/25 and 10/26**

### **General information**

- Limited Income Subsidy
  - 150% FPL is dependent on household size; a dependent grandchild in the household would increase the income the individual or couple can have
  - Worth about \$2,100 to the beneficiary
- Full duals, Medicare Savings Programs (QMB, SLMB and QI-1) and all institutional persons have a Special Enrollment Period and can change plans at anytime (including MA-PD plans)
- Drugs covered by Part A or Part B prior to 1/01/06 will continue to be covered by Part A or Part B
- Transition plans
  - Plans must provide up to a 6 month supply of drugs during an exceptions process for LTC persons, per CMS requirements
  - Looks like plans will provide 30 days of drugs to persons on a current drug that is not on the plan's formulary
  - Looks like plans will provide 90 days of drugs to LTC persons on a drug that is not on the plan's formulary
- Co-payments
  - Most plans are charging LIS persons one co-payment for a 90 day supply of drugs
  - Most plans are charging non-LIS persons three co-payments for a 90 day supply of drugs

- Six categories that plans must supply all/substantially all of the drugs for: antidepressants, antipsychotics, anticonvulsants, HIV/AIDS, anticancer and immunosuppressants
  - Persons on drugs for any of these conditions are not subject to Prior Authorization if they are already stable on a drug
  - CMS is not sure yet how plans will know if a person is a new start on these drugs or is already stable on a drug
  - CMS is not sure what will happen if one of the drugs a person with one of these conditions is stable on already is an excluded drug
- Exceptions and appeal process stages: (non-covered drug, tier changes)
  - Exception request to plan
  - Independent Review Entity
  - Administrative Law Judge
  - Medicare Advisory Council
  - Federal Court
- Arizona Regional average premium is \$28.08
- Limited Income Subsidy pays \$24.62
- Point of sale
  - Pharmacist will determine cost sharing required after billing the Part D plan
  - The person will want to tell the pharmacist to bill any available 3<sup>rd</sup> party for the cost sharing (private insurance, T/RBHA)
- Snowbirds
  - Special Election Period does not apply as it has to be a permanent residence change

- Persons should be encouraged to enroll in a National plan or a Regional plan with a national pharmacy contract
- Insurance providers who cover prescription drugs must notify their members by 11/15/05 if their coverage is at least as good as Part D Prescription Drug coverage – this does not have to be a letter (EOB, Newsletter)
- A worksheet has been developed for persons to fill out prior to choosing a Part D plan. The person can complete the worksheet and give it to somebody to help him or her search plan information on the web.
- Available means to join a Part D plan:
  - By telephone with the plan (only if the call is initiated by the beneficiary)
  - At the plan website
  - On a paper enrollment form sent to the plan
  - At [www.medicare.gov](http://www.medicare.gov)
- Medicare Advantage plans do not have to accept End Stage Renal Disease beneficiaries

### **Enrollment information**

- There are 10 National Plans that can be found at [www.cms.hhs.gov/maps/map.asp](http://www.cms.hhs.gov/maps/map.asp)
- To select a Medicare Advantage-Prescription Drug plan persons must have both Medicare Part A and Part B
- To select a Prescription Drug Plan persons can have either Medicare Part A or Part B
- Part D enrollment periods: (42 CFR 423.38)

- Initial Enrollment Period (IEP)
  - 11/15/05 – 5/15/06 for persons eligible for Part D on or prior to 1/31/06
  - 11/15/05 – 5/31/06 for persons who become eligible for Part D in 2/06
  - For 7 months when turning 65 years old (same as Part B; 3 months prior to birthday month, birthday month, and 3 months following birthday month) for persons who become eligible for Part D in 3/06 or beyond
    - If election is made prior to month eligibility is gained, coverage begins on the 1<sup>st</sup> of the month of eligibility
    - If election is made during or after the month of eligibility, coverage begins on the 1<sup>st</sup> of the month following the month of election
- Annual Coordinated Election Period (AEP)
  - 11/15/05 – 5/15/06 for 2006
    - If election is made between 1/01/06 and 5/15/06, coverage is effective on the 1<sup>st</sup> day of the month following election
  - 11/15 – 12/31 for 2007 and beyond
    - Coverage is effective on the 1<sup>st</sup> day of the following calendar year
- Special Enrollment Period (SEP)
  - Monthly for duals, Medicare Savings Program persons and institutional persons
    - Coverage is effective as determined by CMS
- Medicare Advantage enrollment periods:

- Initial Coverage Election Period
  - 7 months when turn 65 years old (same as Part B; 3 months prior to birthday month, birthday month, and 3 months following the birthday month)
- Annual Coordinated Election Period
  - 11/15/05 – 5/15/06 for 2006
    - If election is made between 12/31/05 and 5/15/06, coverage is effective on the 1<sup>st</sup> day of the month following election
  - 11/15 – 12/31 for 2007 and beyond
    - Coverage is effective on the 1<sup>st</sup> day of the following calendar year
- Open Enrollment Period
  - January – June for 2006
  - January – March for 2007 and beyond
- Auto-enrollment (42 CFR 423.349d))
  - Plan will be effective on 1/01/06
  - Dual eligibles and SSI recipients
  - In November auto-enrolled beneficiaries will receive a letter indicating who will be his/her plan and that they can choose another plan up until 12/31/05 that will be effective on 1/01/06
  - Auto-enrollment will be determined according to the following:
    - If in an MA plan that will have drug coverage, a MA-PFFS plan that will have drug coverage or a MA Cost plan that will have drug coverage, the beneficiary will be auto-enrolled into that plan for their drug coverage

- If in FFS Medicare, MA-PFFS plan without drug coverage or a MA Cost plan without drug coverage, the beneficiary will be auto-enrolled into a PDP at or below the low-income benchmark premium for the Region
- Passive enrollment
  - Plan will be effective on 1/01/06
  - Dual eligibles currently enrolled with an AHCCCS plan that will also be a Medicare Advantage – Prescription Drug/Special Needs Plan in 2006
  - Duals received a letter in October indicating their plan for Part D and that they can choose another plan up until 12/31/05 that will be effective on 1/01/06
- Facilitated enrollment
  - Plan will be effective on 6/01/06
  - Medicare Savings Program persons and persons who are found eligible for LIS, but did not choose a Part D plan